## MESSAGE

OF THE

PRESIDENT OF THE UNITED STATES TO THE

TWO HOUSES OF CONGRESS

AT THE

COMMENCEMENT OF THE FIRST SESSION

OF THE

THIRTY-NINTH CONGRESS

FELLOW CITIZENS OF THE SENATE AND HOUSE OF REPRE-

express gratitude to God, in the name of the people sing you. Our thoughts next revert to the the Chief Magistracy, to which he had been elected; at he brought the civil war substantially to a the Union; and that foreign nations have renheavier weight of cares than ever develved upon any se of his predecessors. To fulfil my trust I need the arious departments of government, and the supstate with frankness the principles which guide my con-licit, and their application to the present state of affairs, well aware that the efficiency of my labors will, in a great re, depend on your and their undivided approba-

by its authors to last as long as the States them-

possibility of its coming to an end. And rted in their complete int grity by every patriief Maristrate-by Jefferson and Jackson, not es of the Father of his Country, while yet President, the people of the United States, was that "the free anchor of our peace at home and safety abroad."

their orbits. But the very greatness of our country enforced by Jefferson "as the vital principle of re-ics," and the events of the last four years have

apport of the State governments in all their rights;" at it is not one of the rights of any State government to

the Confederacy, and not the language of the constitu-cion. The latter constitut the emphatic words:—"The con-tilution, and the laws of the United States which chall be made to permanes thereof, and all treaties

mited government; and so is every State government a mited government. With us this idea of limitation eads through every form of administration-ceneral, me principle of the recognition of the rights of man. The his religion and controlled his activity. The meen; to freedom of conscience, to the culture and mercine of all his faculties. As a consequence the State interest of union, as to the individual citizen in the

the existence of the constitution of the United States. At the very commencement, when we assumed a place dependence was adopted by States; so also were the ar-cases of Confederation; and when "the People of the Smited States" creatined and established the constitution is weethe assent of the States, one by one, which says

the legislative government would be wanting. And, if we United States endures the States will endure; the estruction of the one is the destruction of the other

infold the principles on which I have sought to solve the

the suddenness of the social change shall have subsided, it may prove that they will receive the kindicat usage from some of those on whom they have hereted one most closely depended.

GOVERNAST NOT COMPETENT TO EXTENDED.

But while I have no doubt that now, after the close of the war, it is not competent for the general government to extend the elective franchise in the several. States, it is equally clear that good faith requires the security of the freedmen in their liberty and their property, their right to clasor, and their right to claim the just relate at their labor. I cannot too strongly urge a diseasestonate treatment of this subject, while should be arefuly kent alouf from all party strife. We must equally avoid hasty assumptions of any natural impossibility for the two races to live side by side, in a state of must be nell and good will. The experiment involves us in no inconsistency; it as then go on and make that even ment in cood faith, and not be too easily disheartened. The country is in need of labor, and the freedmen are is not of employment, culture and protection. Will their right of violater their contact may be seen and their right of violater their products of the contact of the

REDUCTION OF THE NAVY.

It appears from the report of the Secretary of the Navy that while, at the commencement of the present year, there were in commission 530 vessels of all classes and descriptions, armed with 3,000 guns and manned by 51,000 men, the number of vessels at present in commission is 117, with 530 guns and 12,125 men. By this prompt reduction of the navai forces the expenses of the government have been largely diminished, and a number of vessels, purchased for naval purposes from the merchant marine, have been returned to the peaceful pursuits of commerce. Since the suppression of active hostilities our foreign squadrons have been re-established, and consist of vessels much more efficient than those employed on similar service previous to the rebellion. The suggestion for the enlargement of the navy 14, and especially for the enalgement of the large of the start for from that the start of one in the start of the

Nothing will be wanting on the part of this government to extend the protection of our flag over the enterprise of our fellow-citizens. We receive from the Powers in that region assurances of good will; and it is worthy of note that a special envoy has brought us messages of condolence on the death of our late Chief Magistrate from the Bey of Tunis, whose rule includes the old dominions of Carthage, on the Aftican coast.

RELATIONS WITH GREAT BRITAIN—THE PROPOSED COMMISSION TO SETTLE ALL CLAIMS DECLINED.

Our domestic contest, now happily ended, has left some traces in our relations with one at least of the great maritime Powers. The formal accordance of belligerent rights to the insurgent States was unprecedented, and has not hear justified by the issue. But in the systems of anatrality sursued by the Powers which made that comes on there was a marked difference. The materials of war for the insurgent States were furnished, in a great measure, from the work-hops of Great Britain; and British ships, matuned by British subjects, and prepared for receiving British arosanemt, sailed from the ports of from the first ships, matuned by British subjects, and prepared for receiving British arosanemt, sailed from the ports of from the insurgent States were form British ports, ever afterwards entered them in every part of the word, to refit, and so to canew their depreciations. The consequences of this condical were most disassimus to the states, then in rebell as, increasing their decolation and misery by the protecting for our civil contest. It had, materially a first and the states are not measured. The subjects had created the here-skip for such a change. These when the sea not transfer much of our shipping and our commence to the very Power whose subjects that created the here-skip for such a change. These events took passe before I was called to the administration of the power uneated, from the to approve the roomanded the attention of the great stream declined the arbitrament, but, on the other nand, invited us to

rest on the basis of in that justice.

THE DOCLEME OF NON-DERIFFEE OF IT FOREIGN AFFAIRS RELEVATION.

From the moment of the establishment of our tree constitution, the corplete world has been convuised by revell thous in the interest of democracy for meanachy; but through gift those revolutions the United States through which are democracy for meanachy; but through gift those revolutions the United States through condition. It is the only governor at safect to our condition; but we have consistently followed the advice of Washington to recommend it only by the area of preservation and product use of the besting. Boring all the intervening particulates has, on he whole, been harmonious. Twice, indeed, rumous of the investion of some parts of America, in the interest of monacrety, have prevailed, twice my predecessors have he docusion to announce the views of this nation are respect to sach interference. On both of assors the renountrance of the United States was respected, from a deep conviction, on the part of European covernments, that the system of nou interference and mutual abstinence from propagation was the rune run to be two be adspicers. Since these times we have advanced in wealth and power, but we retain the same purpose to have the interest Europe to choose their own dynastics and form their own systems of covernment. This consistent moderation may justly declared a great examily to ourselves, to the cause of good government, and to the peace of the world, should any European Power challenge the American people, as it were, to the defence of republication against foreign intricence, We cannot foresee and are anything to consider the world between the cause of production and the future as thy have

Our cold. It don't request which is the inclusive with an activity of the problems based on the cold. The cold is a control to the cold in the cold is a control to the cold in the cold is a control to the cold in the cold is a control to the cold in the cold is a cold in the cold in the cold is a cold in the cold in the cold is a cold in the cold in the cold is a cold in the cold in the cold in the cold in the cold is a cold in the cold in the cold in the cold in the cold is a cold in the cold is a cold in the cold in th

## THE FINANCES.

Report of the Secretary of the Treasury.

He Favors an Early Return to Specie Payments.

The Country in a Dangerous Financial Condition.

Success of the Internal Revenue System.

State Taxation of Government Securities.

TRASSURT PROFILED TO WAS UNDERLY OF the Tree-

Next in imperance to the great questions in colved in the restoration of the federal authority over the Southern ther in under the constitution are the financial ques tions, embracing-

The Currency The Public Debt : and

all of which demand the early and careful attention of Congress.

ous connections, the recretary is painfully conscious of his own inability properly to discuss them, difficult as

The right of Congress, at all times, to borrow attach to a great nation which dishonors its own obligations by unneces arily keeping in circulation an irre-decimable paper currency. It has not, in post times, been regarded as the province of congress to furnish the people of cettly with money in any form. There authori-ty is "to com mency and fix the value theree;" and,